

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-001-E - ORDER NO. 94-122 ✓
FEBRUARY 7, 1994

IN RE: Semi-Annual Review of Base Rates for) ORDER APPROVING
Fuel Costs of Carolina Power and) STIPULATION AND
Light Company.) AGREEMENT

This matter is before the Public Service Commission of South Carolina (the Commission) on the joint request of Carolina Power & Light Company (CP&L), the Consumer Advocate for the State of South Carolina (the Consumer Advocate), Nucor Steel, a Division of Nucor Corporation (Nucor), and the Commission Staff (the Staff) for approval of the Stipulation and Agreement entered into by the parties (the parties) on January 27, 1994. As asserted by the parties, the terms of the Stipulation and Agreement, a copy of which is attached as Appendix A, resolve all issues in this docket, except for those specifically reserved by the terms of the the Stipulation and Agreement.

The Commission has reviewed the parties' Stipulation and Agreement and finds that it should be and is hereby approved. Accordingly, it is ordered as follows:

1. CP&L's fuel factor for the period April 1, 1994 through September 30, 1994, should be set a 1.425 cents per kilowatt hour.
2. The allowable fuel expense for the period July 1993

through December 1993 shall be reduced by \$2,160,139.


3. Within ten (10) days of the date of this Order, CP&L shall file with the Commission rate schedules designed to incorporate the findings herein and an adjustment for fuel costs as demonstrated by Appendix B.

4. All issues related to the operations at Brunswick Steam Electric Plant Unit #1 and Robinson Nuclear Plant beginning July 1, 1993 through December 31, 1993 shall be addressed in a future fuel proceeding.

5. Because this case is being resolved through compromise and settlement, no action by the Commission or any party in this proceeding shall constitute precedent for purposes of future fuel proceedings.

IT IS SO ORDERED.

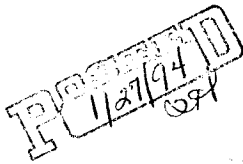
BY ORDER OF THE COMMISSION:


Chairman

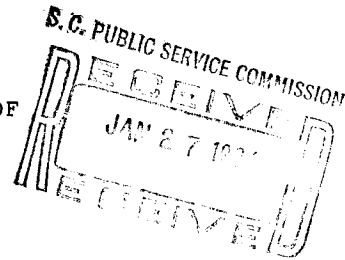
ATTEST:


Executive Director

(SEAL)



BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-004-E
JANUARY 25, 1994



IN RE: Carolina Power & Light Company -)	STIPULATION
Adjustment of Base Rates for Fuel)	AND
Costs.)	AGREEMENT

As a final compromise of this case, Carolina Power & Light Company (CP&L), the Consumer Advocate for the State of South Carolina (the Consumer Advocate), Nucor Steel, a Division of Nucor Company (Nucor), and the Commission Staff (the Staff), the parties to this proceeding, agree to the following:

(1) CP&L's fuel factor for the period April through September 1994 shall be set at 1.425 cents per kwh.

(2) In accordance with the parties' stipulation in Docket No. 93-002-E and the opinion of the South Carolina Supreme Court in Nucor Steel v. South Carolina Public Service Commission et. al., ____ S.C. ____, 426 S.E.2d 319 (1992), CP&L's cumulative recovery account shall be adjusted prior to October 1, 1994 to reflect a disallowance of \$2,160,139.¹

(3) Staff's review of CP&L's operations indicates that the Brunswick Steam Electric Plant Unit #2 and Shearon Harris Nuclear

¹ According to the Staff's audit, CP&L adjusted its cumulative recovery balance by \$13,861,471 to zero at September 30, 1993. This leaves \$1,738,533 to be foregone by CP&L per the terms of the 1993 Stipulation by October 1, 1994. The remaining \$421,606 reflects the Supreme Court's reversal of the Commission's adjustment to fuel costs in Docket No. 90-004-E.

Plant operated at capacity factors of approximately 99% for the period under review, July 1, 1993 through December 31, 1993. Therefore, the parties agree not to challenge the operations at these units for the period under review.

(4) The parties agree to address the operations at the Brunswick Steam Electric Plant Unit #1 and the Robinson Nuclear Plant beginning July 1, 1993 through June 30, 1994 during the Fall 1994 fuel proceeding.²

(5) Because this case is being resolved through compromise and settlement, no action by the Commission or any party in this proceeding, including this settlement agreement, and the Commission's Order approving said agreement, shall constitute precedent for purposes of future fuel proceedings.

The undersigned parties request that the Commission adopt this Stipulation and Agreement as a resolution of all issues in this docket, except as specifically reserved by the terms of this Stipulation and Agreement.

Carolina Power & Light Company

By: *Don J. Clark*

Department of Consumer Affairs

By: *Nancy Vaughn Combs*

Nucor Steel, A Division of Nucor Co.

By: *James P. Hill*
its Attorney

Commission Staff

By: *Gayle B. Nichols*
Staff Counsel

*January 27, 1994
Columbia, South Carolina*

2. This assumes these units come back on line during the review period. Otherwise, these operations will be addressed in the appropriate future fuel proceeding.

CAROLINA POWER & LIGHT COMPANY
Adjustment for Fuel Costs

APPLICABILITY

This adjustment is applicable to and is a part of the Utility's South Carolina retail electric rate schedules.

The Public Service Commission has determined that the costs of fuel in an amount to the nearest one-thousandth of a cent, as determined by the following formula, will be included in the base rates to the extent determined reasonable and proper by the Commission for the succeeding six months or shorter period:

$$F = \frac{E}{S} + \frac{G}{S_1}$$

Where:

F= Fuel cost per Kilowatt-hour included in base rate, rounded to the nearest one-thousandth of a cent.

E= Total projected system fuel costs:

(A) Fuel consumed in the Utility's own plants and the Utility's share of fuel consumed in jointly owned or leased plants. The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees. The cost of nuclear fuel shall be that as shown in Account 518 excluding rental payments on leased nuclear fuel and except that, if Account 518 also contains any expense for fossil fuel which has already been included in the cost of fossil fuel, it shall be deducted from this account.

PLUS

(B) Purchased power fuel costs such as those incurred in unit power and Limited Term power purchases where the fuel costs associated with energy purchased are identifiable and are identified in the billing statement.

PLUS

(C) Interchange power fuel costs such as Short Term, Economy, and other where the energy is purchased on economic dispatch basis.

Energy receipts that do not involve money payments such as Diversity energy and payback of storage energy are not defined as purchased or interchange power relative to this fuel calculation.

MINUS

(D) The cost of fuel recovered through intersystem sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.

Energy deliveries that do not involve billing transactions such as Diversity energy and payback of storage are not defined as sales relative to this fuel calculation.

S = Projected system kilowatt-hour sales excluding any intersystem sales.

G = Cumulative difference between jurisdictional fuel revenues billed and fuel expenses at the end of the month preceding the projected period utilized in E and S.

S₁ = Projected jurisdictional kilowatt-hour sales for the period covered by the fuel costs included in E.

The appropriate revenue related tax factor is to be included in these calculations.

The fuel cost (F) as determined by Public Service Commission of South Carolina Order No. 94-122 for the period April 1994 through September 1994 is 1.425 cents per kilowatt-hour.